



Buzzwords ...

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..... the newsletter for National Beekeepers' Association members

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FROM THE HOT SEAT -

Best wishes to you all for the new year. This first issue of *Buzzwords* for 1989 concentrates on marketing and the current honey crop. We want to provide information for you all to make better selling and buying decisions in 1989.

The past year is one most of us would probably rather forget. The honey market was seriously depressed, and the weather was pretty abysmal. Some people experienced cyclone Bola and record rainfall, and the West Coast had high rainfall even without a cyclone. Those on the east coast of the South Island had severe drought to add to beekeeping's usual problems.

These conditions are continuing in many areas, and it looks like honey crops will be well down on average. We look more at the crop prospects later in this issue.

Now how will this low crop affect honey prices? Contrary to predictions, there was little carry-over from past years. Production is low: around 5,000 tonnes is one recent estimate. This should see prices go up significantly.

Some packers are already talking about \$1.60-1.80 per kilogram, so wholesale packed honey prices are being increased across the board. As of 1 February several major packers have increased wholesale prices at least 15%. Perhaps it is now time for the industry to recover some of the marked difference which currently exists between the prices beekeepers get and the price consumers pay. Wholesalers and supermarkets have been willingly exploiting this difference during 1988.

Exporting generally went well last year, with acceptable returns in most sectors and some promising new markets opening up.

These markets will need further support, so they can be developed more in the future and local market volumes reduced in better production years.

No matter what your honey crop looks like, it's up to you to get the best possible return. There's healthy competition between buyers, so make sure you shop around. Be well informed, and choose carefully before selling your valuable products this year.

Allen McCaw
NBA President



INDUSTRY PLANNING - TOWARDS THE 1990's

The NBA introduced a planned approach to its activities over five years ago, and since then we've achieved a lot in the interests of our industry. Progress has been made in beekeeper education, beekeeping research, public relations and communication, promotion and even marketing. The executive now feels that we've reached a point where a broad review of our future direction is called for, much as was done initially in 1984.

As a result, plans are being made to hold an extended industry planning meeting next month at Flock House. Invitations to attend and contribute are being extended to a number of industry representatives including the industry trustees, MAF, packers and exports, queen bee producers, pollination associations, researchers and educationalists. Each is expected to bring ideas on the development of their sector into the next decade. The intention is to produce a revised set of goals and objectives for the administration and activities of the NBA within the wider industry, as we continue to progress towards our aim of "Better beekeeping - better marketing" in the 1990s.

If you have any thoughts or suggestions as to the future direction of our industry, no matter how profound or trivial, then please convey them to executive, or one of the organisations listed above. We need your input to reach the best decisions.

CROP FORECASTS

Northland: Little surplus because of atrocious weather.

Auckland: Generally a fizzer. Pohutukawa did well, but weather has been poor since Christmas. Possibility of late flow from pasture if a meteorological miracle takes place.

Waikato/Bay of Plenty: Rewarewa good in places, tawari best flow for several years. Little off pasture (0-20 kg) and slim chance for thistle flow.

In all of the northern North Island a hot, dry January-February would have produced quite a bit of honey, but overall crops are low, average perhaps 10 kg.

Hawkes Bay: Very dry. Hives yet to collect winter stores in some areas. Arataki reports one of the worst crops ever.

Taranaki/Wanganui/Manawatu/Horowhenua: Three tonne crop (average) in Taranaki and poor along coast through Wanganui. Slightly better in Levin/Wellington coastal strip. Inland areas patchy - 1-3 tonne/100. Wairarapa average overall.

Over all the North Island average crops are less than 20 kg per hive.

Nelson/Marlborough: Honey production fair.

West Coast (SI): Wet - rata flowering washed out.

East Coast of South Island from north Canterbury to Otago: Very dry and very little honey. Honeydew might produce.

South Otago and Southland: Many smiling beekeepers in this area, though some produced well below potential because of being in a "retrenchment mode" - fewer staff, insufficient capital, general loss of beekeeper motivation. "Many beekeepers caught flat-footed" was one comment. Good overseas orders in this area for 170 tonnes of high moisture honey and 10 tonnes of 0-9mm honey probably won't be filled.

If your area isn't represented in this summary, or has been misrepresented, how about feeding me some information so I can update things in the next issue.

MARKET PREDICTIONS - LOCAL

From Keith Herron (on behalf of NBA Marketing Committee) - New Zealand prices have increased, and sales have been reported as high as \$1.80/kg. Some export sales have been reported, but returns to beekeepers are no higher than for local sales. Packed honey has been selling at low wholesale prices, but increases are expected. Honey house prices - no trends visible yet, but prices should move up too.

From Percy Berry (Arataki Honey) - Buying honey from regular suppliers at \$1.80 for light and \$1.60 for dark, drums supplied or beekeeper's drums returned.

From Steve Lyttle (NZ Honey Co-op) - Predicts low crops and an increase in price.

From Peter Bray (Airborne Honey) - Because of the expected poor crop in New Zealand and the firming world market prices for the coming season are going to rise, and very likely by a substantial amount.

It should be fairly obvious from this that the prospects for an increase in price for the coming season are very good. If our prediction of a shortfall becomes a reality then the price will rise dramatically and very quickly. Generally this will happen in early February and there will be a number of increasing offers for your crop. Our advice is:

- * Decide in your mind which organisations are creating problems in the industry then **REFUSE TO SELL TO THEM!** This is the best opportunity you are likely to get to have a major impact on them.

- * If you must sell to these people, then refuse to commit any crop to them before the middle of February. By this time the increased price will start to become very apparent, and your withholding product will enhance your own position.

It is in your power as the producer to turn up the heat on those you are supplying honey to. The poor crop this year is likely to make your comments weigh very heavily on those who have no or low stocks left - those that have given honey away in order to maintain turnover at the expense of the industry (this term "industry" actually means you).

All we can say is that this year it looks as though the shortage is going to lift the price. The first to come clamouring to you for your crop will be the price cutters with no stocks left from last year. The more persistent they are the more it means that they are desperate for your crop. Use the advantage and take them to the cleaners! We would like you to go one step further and refuse to sell to them altogether effectively putting them out of business.



WORLD HONEY MARKET

A wrap-up of how production and consumption look in various parts of the world. The world honey market is still dominated by large stocks of honey and the US price support scheme. But there's good news - stocks have decreased (mainly in the US and Canada) and consumption is up overall.

Canadian production in 1988 was down 11%, mainly because of lower prices and the ban on bees from the USA. Colony numbers dropped 11% too, from 700,000 in 1987 to 620,000 in 1988.

Mexican production for 1988 was thought to have dropped by 8%, because of economic factors, dry conditions in some states and Africanization. Exports will be about 36,000 tonnes for 1988 - down from 39,000 the year before and a usual level of 50,000 tonnes.

Argentina had another good year in 1988, with production at 35,000-40,000 tonnes the same as in the year before. During 1987 Argentina exported over 36,000 tonnes - 20% up on the previous year.

China's demand for honey is increasing, with an increased private enterprise infrastructure. Consumption should rise by 10% in 1989. Exports are falling, from over 80,000 tonnes in 1986 to 67,000 in 1987, and about 70,000 in 1988. This drop is thought to have been caused by increased domestic demand and lower world prices.

In **Japan** honey use is changing, as more bulk honey goes into foods as a sweetener. The demand for honey in processed foods has been created by increased consciousness of "natural" foods. In 1987 Japanese imports rose 10% to a record 40,129 tonnes.

Consumption in **West Germany** has climbed to 1.4 kg per person annually. The Soviet Union is picked to become a major supplier to this market.

In **Europe** the 1988 crop was thought to have been below normal overall. **Brazilian** honey production reached a record 38,000 tonnes last year.

US situation - As of January 1989 the US buy back price for white honey (0-34 mm) was still 40c US per pound (\$NZ1.42/kg at 0.6200), and this figure is still setting the world market price at the present. How long this will continue is anybody's guess but last year the US reduced its stocks approximately 10,000 tonnes with a 100,000 tonne crop. This year their 70,000 tonne crop should allow them to completely eliminate their surplus and even be actively seeking imports. Somewhere around this time we would expect to see the buy back level being revised.

New honey promotion programme - The latest news from the States is that the USDA has granted the Honey Board \$500,000 from the Targeted Export Assistance (TEA) program for funds to promote the export of US honey. These funds are provided by the US Government to help offset what they call "adverse effects of unfair foreign trade practices on US agricultural exports". Yep, that's right folks. The goal of the Honey Board is to export at least 15% of the total US crop. The funds will be used to develop export demand for US products in Europe, the Middle East and East Asia. Prime targets will be West Germany, Saudi Arabia and Japan.

October 1, 1989 will see the launch of the campaign, which involves multilingual promotional materials, exhibits at trade fairs and exports sales seminars.

Perhaps we could protest by dumping drums of American honey into their harbours, as a kind of reverse Boston TEA party.

INFANT BOTULISM

The Japanese are continuing to worry about honey and infant botulism. Botulism spores can be found in honey (and a lot of other foods), and the spores can cause botulism in infants under about six months old.

New Zealand has lost honey sales in Japan because of the recent scare. Packers are now having to comply with a "voluntary" code of practice (which really means compulsory) to label honey products with a warning about the dangers of feeding them to infants.

Health authorities in California have also published a pamphlet warning of the dangers in feeding honey to infants. This is not the sort of publicity the industry needs, but is unavoidable I suppose.

Packer groups in Japan are also demanding that honeys identified by floral type must have over 80% of that species' pollen present in their pollen spectrum. In practice this is very hard to achieve.

No Honey



During Your Baby's First Year

TIRED, LISTLESS, LACKING ENERGY?

The Otago branch offers this recipe for something euphemistically described as "medicine". Apparently it's from Indonesia, is for men only, and is definitely R18.

3 dessertspoons of honey, 1 glass of milk, 2 or 3 egg yolks, 1 teaspoon ginger and a little pepper. Mix well, drink and retire early.

Complaints, excuses and anecdotes to Paul Marshall at Telford.

DRUG RESIDUES

Markets are becoming increasingly sensitive about drug residues in honey. You might remember the big fuss a few months ago when a lot of Chinese honey was rejected because traces of miticide were found in it: the rumour is that 10,000 tonnes of Chinese honey was affected.

The Australians aren't immune from this problem either - in fact any country where drugs are used in beehives will end up with residue problems.

Bob Gulliford of Tamworth in NSW reports a case where oxytetracycline residues were found in export honey. The shipment was traced back to a beekeeper who wasn't the sort of person to chuck a hivetool full of antibiotic into any hive that looked crook.

No, the beekeeper was a careful operator. A combination of circumstances led to the drugs getting through - it was stored in brace comb, and didn't break down inside the normal withholding periods.

So we have to keep in mind that any drug feeding is going to cause some problems and loss of markets, particularly in Japan and Europe. New Zealand's drug-free status gives us a unique marketing advantage which is increasing in value.

DOC SPEAKS

Doctor Who? No, not Doctor Who - DOC. In the October issue I reported that your executive had been discussing apiary site rentals with DOC staff (the Department of Conservation to those of you still in the dark).

Now DOC have come back with some draft guidelines for apiary sites on conservation land. Two points before I give you the details. One is that these are draft only. If you have any suggestions to make, reply to exec before mid-March, so they can consider them before replying to DOC. The second point is these are guidelines only - regional and district offices can write their own licences.

And the guidelines?

- * Honey production is generally OK on conservation land.
- * Beehives wouldn't be permitted near special scientific reserves, areas where nectar-eating birds might be threatened, and places where public recreation might be hindered.
- * Beekeepers will have to have licences to operate on DOC land. The licences will probably be annual, and cost \$50-100 for the first issuing and \$50-100 per apiary or \$1-2 per hive each year.
- * There are a lot of other conditions proposed which are pretty much what you'd expect: apiaries are to be kept tidy and are not to block access, sensible fire precautions must be taken, public liability insurance is needed.

AUSSIES CLOSE THE DOOR

It's finally happened. The New South Wales government has put a ban on all honey imports from New Zealand.

Chalkbrood is said to be the reason for the ban. A press report announcing the new measure describes chalkbrood as "an exotic disease capable of wiping out large sections of the New South Wales beekeeping industry".

The ban affects all extracted honey, whether packed or in bulk, and was introduced on Friday 13 January (yes, really - these Aussies do have a sense of humour). Product already on the market in NSW or in transit shouldn't be affected. Incidentally, official export statistics show that a total of 320 tonnes of New Zealand honey went to Australia in the year to December 1988.

Comb honey and pollen were previously prohibited by the Commonwealth government. In an unusual move NSW has introduced its own ban. As quarantine is normally a Commonwealth responsibility, this unilateral action has the New Zealand and Australian authorities running round in small circles. Tradecom and MAF are concerned about a possible precedent being set for other commodities, especially horticultural products. Apparently this ban is against CER protocols signed recently.



Another curious aspect to the move is the list of countries affected. New Zealand, of course, plus Switzerland, Mexico, UK, China, France, Greece and Hungary. I'm not sure how much honey Australia imports from those other countries, but it probably isn't a lot. Chalkbrood is also found in many other countries: USA, Canada, Argentina, all of Europe and much of Asia. These aren't mentioned in the banning order.

A leading NSW commercial beekeeper, Warren Taylor, was reported in *The Sydney Morning Herald* as welcoming the import ban. He said that "chalkbrood was among a handful of extremely serious diseases likely to affect bees".

As I reported in the last issue of *Buzzwords*, Aussies are fixated on the idea that we ban their honey while dumping product into their markets. As I also said, we will accept honey from EFB-free states (like WA) or honey from any state if it is processed to our satisfaction.

MAF's apicultural unit and New Zealand's trade commissioners are all negotiating with the Australians at present over this

ban. Because of the CER implications Mike Moore might even come into bat on it too. An increase in our local market price would make exporting to Australia less attractive anyway. Of course, that would make Aussies even more keen to reverse the trade.

AND A FURTHER CLOUD ON THE HORIZON

Avid newspaper readers will be aware of the trade war between the EC and USA on hormone-fed beef. The European Community has banned the importation of hormone-fed beef from the US, as of 1 January 1989. The USA retaliated by imposing a 100% tariff on a whole bunch of European products.

Then the EC retaliated to that move (doesn't this sound just like "diplomats" in action) by imposing a 100% tariff on another bunch of US products ... including honey.

It's not certain how this little spat will affect our honey trade, but if the bickering goes on long enough there might be some fallout. Watch this space.

HIGH PROFILE FOR INDUSTRY

It seems that bees and the beekeeping industry are flavour of the month. I've seen articles in magazines and papers everywhere on bee-related subjects, for instance:

- * A photo of Stephen Mahon and Apicorp honey in the *Auckland Star*, in an article on non-traditional food exports.
- * Murray Ballantyne and high-moisture honey exports got a plug in *Export News* recently too.
- * Waikato University's honey fingerprinting techniques have been written up in local papers and the University's glossy magazine *Prospect*.
- * Mark Goodwin and his research featured in MAF's in-house monthly, *Update*.
- * Murray Reid wrote a review on bee diseases and their control, for the magazine *Surveillance*. This publication is available free to all New Zealand veterinarians, plus research organisations and libraries here and overseas.
- * Radio New Zealand rural reporters did a feature series on honey.
- * The new glossy magazine *New Zealand Geographic* is writing a feature on bees and beekeeping for a forthcoming issue.

What you probably don't realise is how much MAF advisers put into this sort of publicity. Even if we're not credited in the final stories, the journalists have usually picked our brains pretty thoroughly when writing it. The new Industry Profile published by the NBA has also been useful to give the journalists background material.

NEW BEEKEEPING BOOK

The best new beekeeping book for some time has got to be Mark Winston's *The biology of the honey bee*.

This is the first comprehensive treatment of honey bee biology to appear in decades. It brings us up to date with all the research that's been going on in recent years, but which up until now has only been available in scientific journals.

The good news is that this book is very readable. Mark Winston is a university professor, but has that rare knack of being able to combine a wealth of scientific knowledge with an easy writing style.

Thirteen chapters cover all aspects of bee biology from evolution to behaviour. The book emphasises the complex social interactions which together form a colony's intricate behavioural patterns.

The biology of the honey bee, by M L Winston (Harvard University Press, 1987, ISBN 0-674-07408-4), can be ordered through any bookseller. I can order copies through IBRA - cost about \$80. The book is hardback and has 280 pages.



MORE HINTS FOR BAD BACKS

In the November issue I included the first of an article from the magazine *Speedy Bee* giving advice for bad backs. Here are some more tips for those of you fortunate enough to have boxes of honey to lift and unfortunate enough to have a bad back.

Standing and walking advice

9. Don't stand in the same position for longer than just a few moments. Shift from one foot to the other.
10. When standing don't lean back and support your body with your hands. Keep the hands in front of body and lean forward slightly.
11. When turning to walk from a standing position, move the feet first and then the body, as in left and right face in the army.
12. Open doors wide enough to walk through comfortably.

13. Carefully judge the height of curbs before stepping up or down.

14. Women should change to low heels frequently.

Bed rest advice

15. If your doctor prescribes absolute bed rest, stay in bed. Raising your body or twisting and turning can put a severe strain on your back.
16. When lying flat on your back, it may help to put pillows under the knees (unless your doctor recommends otherwise).
17. When sleeping, lie on your side and draw one or both knees up toward your chin.
18. When lying in bed, don't extend your arms above your head. Relax them at your side.
19. Do not sleep on your stomach.
20. Sleep on a flat, firm mattress.
21. A bed board (12-20 mm thick) placed between the mattress and box springs is an excellent support for the back. A solid base is even better.

POSSUM POISONING

More on the 1080 poisoning programmes mentioned in the October issue of *Buzzwords*.

MAF Livestock Officers are running a comprehensive possum poisoning programme this autumn west of Ohai in Southland. Clive Vardy, MAF's apicultural adviser in Gore, has informed that LOs concerned that no apiaries are registered in the zone and that he expects a massive wasp and feral colony poisoning programme to eventuate as well. Follow up poisoning will occur for the next two years.

BUZZWORDS IS ...

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